STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 1 2 2014

RE: S.B. No. 3082

S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Economic Development, Government Operations and Housing, to which was referred S.B. No. 3082 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to establish an income tax credit for taxpayers who incur certain expenses for manufacturing products in Hawaii beginning after December 31, 2014.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; High Technology Development Corporation; Hawaii Strategic Development Corporation; Hawaii Food Industry Association; Cut Collective; Hawaii Food Manufacturers Association; Green Ohana Recycling; The Chamber of Commerce of Hawaii; ALLISON IZU, LLC; KYD, Inc.; Oceanit; and three individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that a diversified economy and a business-friendly tax climate are key factors in keeping unemployment low. Allowing current manufacturers in the State to grow their businesses can open the door for even more production in Hawaii and reduce Hawaii's reliance on imported goods, which currently account for over ninety percent of the State's products. Importing less and producing more can have wide reaching, positive impacts for manufacturers and consumers.

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The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Economic Development, Government Operations and Housing EGH

Bill / Resolution No.:*	Committee I	Referral:	Dat	je:	11:
SB3082	EGH	WAM	Ø		<u> </u>
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2313					
Members		Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)		X			
SLOM, Sam (VC)		X			
BAKER, Rosalyn H.		, , , , , , , , , , , , , , , , , , ,			X
CHUN OAKLAND, Suzanne		X,			
ENGLISH, J. Kalani		À			
THIELEN, Laura H.		X			
WAKAI, Glenn					X
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TOTAL		5	Ø	0	2
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					
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*Only one measure per Record of Votes